

## Glossary

- ACCOUNT:** An expenditure category such as salaries, supplies or contractual services.
- ACCRUAL BASIS:** The basis of accounting whereby revenues are recognized when earned and measurable regardless of when collected; and expenses are recorded on a matching basis when incurred. All proprietary, expendable trust and agency funds use the accrual basis of accounting.
- ADOPTED BUDGET:** The Budget as approved by the Board of County Commissioners after two public hearings prior to the beginning of each fiscal year.
- AD VALOREM TAXES:** Property taxes based on the assessed value of real property.
- AGENCY FUNDS -** Agency funds are used to account for the assets held as an agent for individuals, private organizations, other governments, and/or other funds or accounts. Agency funds are purely custodial in nature.
- AGGREGATE MILLAGE RATE:** An average of all County taxes including dependent districts and municipal service taxing districts. The exception to this average are those amounts which were approved by a voter referendum for debt service expenses.
- ARTICLE V:** Article V of the Florida Constitution. Revision 7 of this article shifts the responsibility for many court-related items from the County to the State.
- APPROPRIATION UNIT:** A category of authorized expenditures including personal services, operating expenses, capital outlay, transfers and reserves.
- APPROPRIATION:** An authorization made by the legislative body of a government which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.
- ASSESSED VALUATION:** A valuation set upon real estate and certain personal property by the Property Appraiser as a basis for levying property taxes. State law requires that assessed value be equal to the true market value of each property.
- BALANCED BUDGET:** A budget in which the estimated revenues equal the estimated expenditures.
- BASIS OF ACCOUNTING:** The methodology and timing of when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.
- BOARD OF COUNTY COMMISSIONERS (BOCC):** Five (5) County officials elected by districts whose responsibility includes establishing County policy, adopting a County-wide budget and establishing a County millage rate.
- BUDGET:** A comprehensive financial plan of operation which attempts to rationalize the allocation of limited revenues among competing expenditure requirements for a given time period. Most local governments have two types of budgets - the "operating" budget and the "capital improvement" budget.
- CAPITAL ASSET -** Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.
- CAPITAL BUDGET:** A plan of proposed capital expenditures and the means of financing them, based on the first year of the *Capital Projects Plan* and legally adopted as a part of the complete annual budget which includes both operating and capital outlays.
- CAPITAL OUTLAY:** Expenditures for equipment, vehicles or machinery that results in the acquisition or addition to fixed assets with a value greater than \$1,000.

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**CAPITAL PROJECTS:** Projects that purchase, construct, or renovate capital assets. Typically, a capital project encompasses a purchase of land and/or the construction of a building, road or facility.

**CAPITAL PROJECT PLAN:** A multiyear plan that identifies each proposed capital project to be undertaken, when it will be started, and the proposed method of financing the expenditures. This information is presented in summary form, by year, and disaggregated by funding source.

**CARRY FORWARD:** Another name for Fund Balance since it represents the dollars left at the end of one year to be carried forward as revenue in the next year.

**CONSTITUTIONAL OFFICERS:** The Property Appraiser, Tax Collector, Supervisor of Elections, Sheriff and Clerk of Court are all independently elected County officials as per State constitution.

**CONTRACT AGENCIES:** Independent organizations which have a contract with the County to provide services to County residents in return for receiving some funding from the County.

**CONTRIBUTIONS:** A grant provided by the County to another government or non-profit agency which provides services to County residents.

**CONTINGENCY RESERVE:** A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

**COST ALLOCATION:** The process of assigning indirect costs to cost objects.

**DEBT SERVICE:** Payment of interest and repayment of principal to holders of a government's debt instruments (bonds and loans).

**DEPARTMENT:** An organizational unit of the County which is functionally unique in its delivery of services. Department heads are hired by the County Administrator and confirmed by the BOCC.

**DIVISION:** An organizational unit composed of several departments responsible for carrying out a major governmental function such as Public Safety or Public Works.

**ENTERPRISE FUND:** A fund established to account for operations financed in a manner similar to a private business enterprise where the costs of providing goods and services to the public are financed or recovered through user charges. A good example of this type of fund is the Key West Airport Fund where the cost of operations is supported by the revenues generated.

**EXPANDED FUNDING LEVEL:** Funding for new services, enhancements to existing services and programs which were not already approved in the prior year budget to represent the cost of growth.

**EXPENDITURE:** The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

**FISCAL YEAR:** Any consecutive 12-month period designated as a budget year. The County's budget year begins October 1 and ends September 30 of the following calendar year.

**FORECAST:** An estimate of revenue and expenses for the current fiscal year to be used to determine the expected balances at the end of the year.

**FULL TIME EQUIVALENT:** A term to describe manpower requirements in terms of full-time or eight hour days. For example, an employee who works 40 hours per week is a 1.0 FTE employee and an employee who works 20 hours per week at a job would be a .5 FTE.

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**FUND BALANCE:** The excess of current assets over the current liabilities for each fund at the end of each fiscal year. A negative fund balance is sometimes called a deficit. For governmental funds, the fund balance is equal to the excess of revenues over expenses for a given fiscal year. Also referred to as Carry Forward. Governments typically keep some fund balance to carry forward as a matter of conservative budgeting.

**FUND:** An independent fiscal and accounting entity with a self-balancing set of accounts within which revenues must equal expenditures, segregated for the purpose of carrying on specific activities of attaining certain objectives.

**GENERAL FUND:** A fund containing the revenues such as property taxes not designed by law for any one specific purpose. Some of the functions that are a part of the General Fund include the Tax Collector, Property Appraiser, Court Operations and Public Safety.

**GENERAL OBLIGATION BONDS:** When a government pledges its full faith and credit to the repayment of the bonds it issues those bonds are general obligation (GO) bonds. The term is usually used to refer to bonds which will be repaid from taxes and other general revenue sources.

**GRANT:** A contribution of assets (usually cash) by a governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. They are usually designated for specific purposes.

**HOMESTEAD EXEMPTION:** A \$25,000.00 deduction from the total assessed value of owner occupied property. The taxable value of such a home is \$25,000.00 less than the assessed value.

**HUMAN SERVICE ORGANIZATION:** Agencies, either County sponsored or non-profit in nature, for which the County provides partial funding.

**IMPACT FEES:** Monetary payments made by builders or developers to jurisdictions in order to defray the public costs of providing infrastructure services to the development.

**INDIRECT SERVICE CHARGE:** A revenue to the General Fund paid by other County funds for administrative services provided, such as risk management and data processing.

**INFRASTRUCTURE:** Facilities on which the continuance and growth of a community depend such as roads and waterlines.

**INTERFUND TRANSFER:** Amount transferred from one fund to another whereby a budget transfer represents an appropriation in one fund and a revenue in the other.

**INTERNAL SERVICE FUND:** A fund used to account for the financing of goods or services provided by one department to other departments on a reimbursement basis. Monroe County currently operates four (4) internal service funds: Worker's Compensation, Group Insurance, Risk Management and Fleet Management.

**LEVY:** To impose taxes, special assessments or service charges for the support of County activities.

**MANDATE:** Any responsibility, action or procedure that is imposed by one sphere of government on another through constitutional, legislative, administrative, executive or judicial action as a direct order or that is required as a condition of aid.

**MILL:** The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes for each \$1,000 of taxable property value.

**MODIFIED ACCRUAL BASIS -** The basis of accounting under which expenditures, whether paid or unpaid, are formally recognized when incurred, but revenues are recognized only when they become both measurable and

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available to finance expenditures of the current accounting period and expenditures are recognized when the fund liability is incurred. All governmental, expendable trust and agency funds use the modified accrual basis of accounting.

**MUNICIPAL SERVICE TAXING DISTRICT:** Municipal Service Taxing District - a district established to provide a specific service to a specific location within the unincorporated area.

**MUNICIPAL SERVICE TAXING UNIT:** Municipal Service Taxing Unit- a district established to provide a specific service to a specific location within the unincorporated area.

**NOTICE OF INJURY:** Notice of Injury- form filled out by an employee when injured on the job.

**OBJECTS OF EXPENDITURE:** As used in expenditure classification, this term applies to the character of the article purchased or the service obtained (rather than the purpose for which the article or service was purchased or obtained).

**OFFICE OF MANAGEMENT & BUDGET:** Office of Management & Budget- the County's department responsible for preparing and monitoring the budget document.

**OPERATING BUDGET:** A plan of financial operation which encompasses an estimate of proposed expenditures for the calendar year and the proposed means of financing them (revenues).

**OPERATING TRANSFER:** Transfer of cash or other assets from one County fund to another County fund.

**PERMANENT POSITIONS:** Total number of authorized employees including full-time and part-time positions who work on an annual basis.

**PERSONAL SERVICES:** Costs related to compensating County employees including salaries, wages, overtime pay, holiday pay and employee benefits costs such as social security, retirement, health insurance, life insurance and workers compensation.

**PRODUCTIVITY:** Maximizing the use of resources (personnel and dollars) to achieve an effective result at the least possible cost.

**PROPERTY TAX:** A tax levied on the assessed value of real property. Also referred to as Ad Valorem Taxes.

**PROPRIETARY FUNDS:** Funds operated like a business and charging user fees. Enterprise and Internal Service Funds fall within this classification.

**REFERENDUM:** Presenting an issue to the voters of the County where a majority of voters decide on the issue.

**RESERVE:** An account used to indicate that a portion of fund equity is legally restricted for a specific purpose.

**RESOURCES:** Total dollars available for appropriations including estimated revenues, fund transfers and beginning fund balances.

**REVENUE BONDS:** When a government issues bonds which do not pledge the full faith and credit of the jurisdiction, it issues limited liability revenue bonds. Typically, pledges are made to dedicate one specific revenue source to repay these bonds. Revenue bonds do not require voter approval under state law.

**REVENUE ESTIMATES:** A formal estimate of how much revenue will be earned from a specific revenue source from some future period.

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**REVENUE:** Financial resources received from taxes, user charges and other levels of government such as state revenue sharing.

**ROLLED BACK RATE:** Rate that would generate prior year tax revenues less allowances for new construction, additions, rehabilitative improvements increasing assessed value by at least 100%, annexations and deletions. The rolled back rate controls for changes in the market value of property and represents “no tax increase”.

**SPECIAL REVENUE FUNDS:** To account for specific sources of revenue such as gas taxes or building permit fees that are legally restricted for expenditures of specific purposes.

**TAX LEVY:** The total amount to be raised by general property taxes.

**TAX RATE:** The amount of taxes (mills) levied for each \$1,000 of assessed valuation.

**TAX ROLL:** The certification of assessed/taxable values prepared by the Property Appraiser and presented to the taxing authority by July 1 of each year.

**TENTATIVE BUDGET:** The preliminary budget approved by the Board of County Commissioners for the purpose of establishing a millage rate to be mailed to property owners prior to final adoption of a millage rate and budget.

**TRANSFER:** A budget revenue or appropriation to reflect the transfer of dollars from one County fund to another County fund. Revenue transfers reflect transfers from other funds while appropriation transfers reflect transfers to other funds.

**TRUST FUNDS:** a trust fund is an account for cash set aside in a trustee capacity such as donations for certain programs.

**UNIT COST:** The cost required to produce a specific product or unit of service such as the cost to process one ton of waste.

**USER CHARGES:** The payment of a fee for direct receipt of a public service by the person benefiting from the service such as utility charges and emergency medical fees. Also known as user fees.

## Acronyms

<b>ALS:</b>	Advanced Life Support	<b>LDR:</b>	Land Development Regulations.
<b>BOCC:</b>	Board of County Commissioners.	<b>LK:</b>	Lower Keys.
<b>CEMP:</b>	Comprehensive Emergency Management Plan.	<b>MARC:</b>	Monroe Association for Retarded Citizens.
<b>CIP:</b>	Capital Improvement Plan.	<b>MCEF:</b>	Monroe County Education Foundation.
<b>COPCN:</b>	Certificate of Public Convenience and Necessity.	<b>MCSO:</b>	Monroe County Sheriff's Office
<b>CSB:</b>	Card Sound Bridge.	<b>MK:</b>	Middle Keys.
<b>DOR:</b>	Department of Revenue.	<b>MSTD:</b>	Municipal Service Taxing District
<b>ELMS:</b>	Environmental Lands Management.	<b>MSTU:</b>	Municipal Service Taxing Unit
<b>EMS:</b>	Emergency Medical Services.	<b>NFPA:</b>	National Fire Protection Association.
<b>EMT:</b>	Emergency Medical Technician.	<b>NOI:</b>	Notice of Injury
<b>FAA:</b>	Federal Aviation Administration.	<b>O &amp; M:</b>	Operation & Management.
<b>FACE:</b>	Florida Association of Code Enforcement	<b>OMB:</b>	Office of Management & Budget
<b>FDEP:</b>	Florida Department of Environmental Protection.	<b>OSHA:</b>	Occupational Safety & Health Administration.
<b>FDOT:</b>	Florida Department of Transportation.	<b>PACE:</b>	Practical, Academic and Cultural Education.
<b>FKAA:</b>	Florida Keys Aqueduct Authority.	<b>PAX:</b>	Passengers (acronym used by the airport).
<b>FP&amp;L:</b>	Florida Power & Light.	<b>R &amp; B:</b>	Roads & Bridges.
<b>FS:</b>	Florida Statute	<b>R &amp; R:</b>	Renew & Replace.
<b>FTE:</b>	Full-time equivalents.	<b>REP:</b>	Radiological Emergency Preparedness.
<b>FY:</b>	Fiscal Year.	<b>RFP:</b>	Request for Proposal.
<b>GA:</b>	General Aviation.	<b>RFQ:</b>	Request for Qualifications
<b>GASB:</b>	Government Accounting Standards Board.	<b>ROGO:</b>	Rate of Growth Ordinance.
<b>GFOA:</b>	Government Finance Officers Association.	<b>SBA:</b>	State Board of Administration.
<b>GIS:</b>	Geographic Information System.	<b>TDC:</b>	Tourist Development Council.
<b>HVAC:</b>	Heating, Ventilation and Air Conditioning.	<b>TRIM:</b>	Truth in Millage.
<b>LCP:</b>	Livable CommuniKeys Program.	<b>VA:</b>	Veterans Affairs.
		<b>VAB:</b>	Value Adjustment Board.